The Ultimate Asset Tokenization Platform

Whitepaper

The Concept

Divistock aims to connect the business world by developing a decentralized blockchain that will allow for anyone or entity; such as companies, individuals, organizations, etc.; to create a security token on our blockchain that will be bound to an individual asset or a "tokenized asset". This is the solution for the gap between non-crypto assets and the blockchain technology. With this, any asset will be able to be traded, sent and received as easily as it is to send any other cryptocurrency. This will also mean the decentralization of the assets, no longer will there have to be any third party for traded assets back and forth, or at least a token representing contractual claim of an asset. The possibility for tokenizing assignable contractual agreements that do not involve an underlying asset exists as well (ones that do are known as financial assets).

Divistock is designed for financial assets, intangible assets, and certain assignable legal agreements. These types of assets are what is referred to by the word "asset" or "assets" in this paper. For assignable agreements, the creation of a security token bound to these contracts creates a new asset represented and manifested by a cryptocurrency. Therefore, these too will be simply dubbed "asset" or "assets" in this paper

All cryptocurrencies or "tokens" associated with a tokenized asset are considered "security tokens". All mentions of "tokens", "tokenized assets", or "token" in this paper are referring to the aforementioned security tokens Divistock utilizes unless stated otherwise

We plan to create our own platform for Divistock based upon a front-end application that utilizes our independent blockchain network. The blockchain will be completely decentralized and open source, so creating a token on the blockchain will be very simple where no development experience will be required. Any asset will be able to be tokenized with just a few clicks and forms.

The Implementation Plan

So how can Divistock be implemented? We plan to use laws, agreements, and the blockchain technology to bind assets to a token by giving ownership of tokenized assets to the Divistock holding company. These tokens would then be put together as their own token currency (think of ERC-20 tokens). Once an asset is tokenized it's volume may increase and decrease but another token currency for that asset cannot be created again as this would be duplicating the token's supply.
Ex. An investor decides to tokenize all of their Apple shares. If this is the first time someone has tokenized an Apple share before then it will create a whole new token supply. If another investor decides to tokenize all of their Apple shares, then the tokens will only be added to the total supply of that token.

Once we develop, or almost complete, the blockchain we will start our ICO in which we will publicly offer the Divistock coin for a very reduced price to gain funding for our platform and, if not done already, complete development of the blockchain. Our next plan of action is to start partnering with brokerage firms for many different kinds of assets such as stocks, bonds, options, foreign currencies, and any other publicly traded asset. We will gain these assets and then tokenize them ourselves with our platform. This will be to start off our blockchain with tokens that are bounded and backed by assets to be traded. These assets will then be able to be traded on the Divistock exchange. The tokens that are bound the assets will also have the ability to be converted back into a non-tokenized, normal asset either through the platform or through individual development that would burn the token while preserving the asset and giving ownership of it to the entity that possessed the token.

The Features

Tokens

Tokens on the Divistock Blockchain will serve the purpose of representing assets or "tokenized assets" and are the main feature of the project. Anyone can tokenize any tokenizable assets they own and anyone will be able to convert any tokenized assets they have in a Divistock Wallet back to normal, untokenized assets on the Divistock Platform. Divistock's tokens or tokenized assets are the foundation of the platform and are used in all the platforms features.

Tokens or tokenized assets on the Divistock blockchain will have many features and uses. There will only be one type of token on the blockchain, but it will be very modular to all the uses described in this white paper. All the properties of a token will be able to be customized by those who tokenize the assets if they issued the assets originally. The uses and features of a token will include but not be limited to: binding to user-issued assets, binding to user-held (but not issued) assets, business structure, proof of existence (PoE) for contracts and documents, STOs for assets, and any use of a cryptocurrency. When a token is created, it's properties will be predefined by the creator or user tokenizing the assets in the process. This will determine what kind of token on the blockchain and what its use it will be for. These properties can include who has access to it, its supply, what asset's ownership is bound to it, the type of legally binding smart contract that will be used to create the token, etc. Whether the creator issued the assets originally or not will determine their level of control over their asset's properties.

Asset Token Properties

- Transactional Fees, set by the issuer
- Dividends, set by the issuer
- Exchange listing, set by anyone, but limitedly controlled by the issuer.
- Name, set by the issuer,
- Type, set by Divistock
- Supply, set by Divistock
- Any feature that describes the issuer as having control, is set by the issuer
- Valuation, set by the community
- Binding Smart Agreements, set by the issuer

Asset Issuance

Token management with Divistock can be described into two categories, those who issued the described assets originally and those who simply hold them. Issuance of an asset is described by whom, when, and how the asset was originally created. An example of this is a company who distributes shares, the issuer in that case would be the company, not any individual even the founder or founders but in other cases could be an individual. With Divistock the title of "asset issuance" entitles the issuer to a certain level of control over the assets they claim issuance over. It allows them to set transaction fees, dividends, and other properties described in "Asset Token Properties". This title can be claimed by the issuer at any time despite when the first asset was tokenized and by whom. What issuance does not entitle the issuer is ownership over all of the asset's supply, or in Divistock's case, pulling tokens out of any wallet they do not have access to. An issuer can also not hinder any person from sending and receiving the assets a user holds to any address they choose, it just allows them to limited control the properties of said asset.

The process for claiming issuance is quite simple, the issuer can own any amount of assets to claim issuance as long as that amount is greater than 1, and at least 1 amount of the asset must be tokenized and staked towards their issuance in order for them to claim and maintain the title. So all the issuer has to do is be a user on the Divistock application, and tokenize at least 1 of said asset or be holding 1 to be staked. From there they will provide the documents that prove their asset issuance and their identity. That's all that needs to be done, the documents and that asset issuance title will be recorded on the blockchain and the information for who is the asset issuer will be accessible on the blockchain and on the platform through both the profiles for the asset token and the user with asset issuance.

Valuation

In order for certain features of Divistock to be able to exchange a set value for a tokenized asset, it must have that value in the first place and pull it from somewhere. Valuation will be determined by what users are willing to pay for each individual token along with other factors such as volume and supply. This will all be included in an algorithm developed that will be maintained by the blockchain, which will ultimately determine the tokenized asset's value against the Divistock stable coin. Whether it be a unique asset (supply of 1) or numerous, it's value will be determined on the exchange. When a user submits their tokenized assets to the exchange, people will obviously be able to put in buy orders for it or bids. This will be inputted information into the algorithm, which will determine the asset's valuation. The valuation will be listed in the properties of the asset and available upon request to anyone that can view the asset. Valuation will also determine whether some of the features Divistock provides to the user will work with said asset or not. If the feature is run by Divistock (Divistock is one of the parties in the transaction) and if the asset has not been assigned a value, the smart contract will reject it. For features that involve two users as the parties in the transaction, they may of course use the feature between themselves, however, the party receiving the asset will be cautioned and be able to clearly see that the tokenized asset has not been assigned a value.

Tokenization

Tokenization will start with the user verifying their identity when creating their account. Once this is done they will be able to input their documents verifying that they own the asset they wish to tokenize. Next, our users will sign a document giving full ownership of said asset(s) to the Divistock holding company under special terms ensuring that the asset will remain dormant only until untokenization, define who is preemptively given rights to the asset at untokenization along with the terms for that process, and waiving Divistock LLC and the holding company of various liabilities. This document will state that only the entity/person who can offer up the private key of the wallet last containing the tokens associated with these tokenized assets undergoing untokenization will be given ownership of the associated assets, and no one (including the Divistock holding company) will be able to override that. Please note that if an asset requires witnessing or further execution, then it will not be able to be tokenized. With the assets secured into the fund, the smart contract will generate the token for that asset with its supply pertaining to the amount of the asset the user is tokenizing. If the asset is fungible and has been tokenized by another user before, then those tokenized assets will be added to the supply of the same previously tokenized assets, if not then it will create a whole new token with a whole new supply. The supply count will be 1 for 1 pertaining to the amount of assets and the amount of tokens. If an asset is not fungible and cannot be easily divided, the tokenizing user can specify into how many tokens it will be divided, but the asset must be able to have it's ownership divided legally. Tokenization will now have been completed and the tokenized asset(s) will be added to the person/entity's wallet.

Once a user wants to gain ownership of an asset that they hold in their wallet, they will have to undergo the process of untokenization. First, they will have to send their assets to a smart contract address that they are prompted to send the assets to. Once the assets are in the smart contract wallet a document will be prepared, signing whoever is untokenizing the assets as the beneficiary for those assets and giving them ownership. When the untokenization smart contract gets a token it will know what asset it is based off its token address, and allow for Divistock to prepare the documents accordingly, giving full ownership of the assets identified with their token address to the user untokenizing them. Once signed and the assets are out of the ownership of the holding company and in the ownership of the user, then the smart contract will burn the tokens.

To keep our platform and tokenized asset ownership decentralized, all tokenized assets will be owned will be managed by a decentralized holding company that will be managed and operate on the Divistock blockchain network. It will be a public company in which all of its equity will be tokenized and distributed on the blockchain. To keep order and to make ease of use a priority, Divistock LLC will partially manage it as well and will have limited authority to give asset ownership to a user who is untokenizing their assets.

Even though the Divistock holding company is considered a third party a user would not need the companies permission to take ownership of the tokenized assets if they have the private key for the wallet. With the way the original tokenization document/agreement would be set up, the only person, persons, or entities who would legally be able to gain ownership of the assets would be whoever could provide the private key of the wallet first that is holding the tokens associated with the assets or last held them (in the case that Divistock wrongly gave ownership away and then burned the tokens) with each asset being identified by their token's address. This could be upheld by any court that the document pertains to. In the case that more than one person or entity comes forward at the same time claiming ownership of the assets, they would be divided evenly between them.

Dividends

Dividends is a feature that asset issuers will be able to give to token holders. These token holders could be specified or include all of the holders of the entire tokenized asset's supply. These token's properties will have to be maintained by a company, individual or entity who distributed the assets that are tokenized in the first place, again known as the asset issuer. These dividends could be in the form of any cryptocurrency accessible to the asset issuer, however the best one to be utilized for this purpose would be the Divistock main coin, or the stable coin version of the Divistock coin.

Fees

We will be taking a small transaction fee in the form of the Divistock coin along with the fee that will be paid to those who help secure our blockchain with the consensus protocol we choose. These fees we collect will be instantly liquified into a large currency such as Ethereum or Bitcoin which will then be used to fund the Divistock business, project, blockchain, and platform. Fees can also be taken off of tokens by an asset issuer which would be set as a property of the asset.

Utility Programming

Tokenized assets on the Divistock platform will be able to be programmed and have networks created on the Divistock blockchain for them with smart contract deployment by asset issuers. The level of programmability will be limited to not deny asset holders their rights over said assets, and will be provided as an extra feature to the token rather than replacing or inhibiting others on the Divistock platform (the main network) as the issuer sees fit. These tokens can be programmed to become utility tokens for issuer's platforms, private networks, governance over the issuer's platform and network with protocols such as PoC, automated bounties with smart contracts. and much more. Anything programmable is possible to be implemented with the token, but will only be discernible within the issuer's network. Divistock will provide tool kits with many guides that will make utility programming, building tokenized asset networks, and deploying smart contracts on said networks seamless, to align with the Divistock platform's easy usability. Utility programming for tokenized assets will be the only portion of the platform that will require programming experience. Divistock will supply issuing users assistance and programming resources for token utility programming for fair compensation.

Sidechains

In order for a user to be able to program a tokenized asset for their own platform or for other uses then they must use their own network (because obviously they wouldn't be able to manipulate a token on the main network). These networks will be side chains of the Divistock main chain. A Divistock sidechain will be a clone of the main chain in which a user allows for one or more tokens to be atomically swapped to and from the networks via a 2-way peg. This allows for anyone to create any network for any purpose and use Divistock tokenized assets as cryptocurrencies on that network, which they themselves can be used for any purpose on that network. These side chain clones will be able to be programmed/customized in any way possible (including changing the consensus algorithm) and at the same time be able to secure some or all of their transactions with the main Divistock blockchain. However, in order for a side chain network to be able to secure themselves with the main chain, they will have to sacrifice some customization so that the transactions are able to be secured smoothly and so it is impossible that they corrupt the main network in any way. If those two requirements are not met then the main network will reject all of that network's transactions.

The Platform

After the Divistock blockchain network is fully developed, implemented, running and the ICO has been completed, we will create the Divistock platform. This will be a platform that will allow for any individual with any asset that is tokenizable to be able to be converted into a token or "tokenized asset" with a few forms and clicks. This will be done free of charge, but after the token is created, the tokenized asset will be released to the blockchain with which the individual who tokenized the assets can do with it what they wish with all their tokens. If they created/issued the asset that is being tokenized, they can change properties of the tokens, if not they may hold them or trade them on the Divistock exchange.

Identification

Users who utilize the Divistock platform will be required to verify their identity before any higher level features can be used. These include features such as tokenization, utilizing smart agreements (legally binding smart contracts), and more. This will be done in a more in depth way than traditional systems such as KYC and have further use than just to stay compliant. For any features having to do with legal contracts to work, the user utilizing these features must be able to immaculately prove their identity. We will use the Divistock main network to create and tie identities to accounts/users, using a custom protocol that notarizes the blockchain with their identity. This will in turn will also tie identities to the wallets that are utilized and a part of the user/account, therefore, registering all actions and transactions made by any of the user's wallets with their identity. This will be done with a custom made protocol, based upon already existing protocols such as Uport.

Legally Binding Smart Contracts

Divistock's blockchain will be able to create smart contracts specifically for the binding of ownership of the tokenized assets to the wallets that hold them. When an entity tokenizes an asset, they will have to enter some sort of agreement giving ownership rights of the asset to the Divistock holding company.. This contract will then be stored on the blockchain alongside the tokenized asset. The only time the contract will be dissolved or amended will be when the entity with access to the wallet which contains the tokenized asset decides to "untokenize" said asset and take it off the blockchain where the holding company will transfer ownership of the asset associated with the tokens being untokenized to whoever had access to the wallet that "untokenized" it. This also can open a whole new door for asset tokenization because it will be possible for tradable contracts, such as tradable insurance policies, to be tokenized with Divistock.

Smart Agreements and Notarization

With Divistock there will possibly be a part of the platform for users to be able to create agreements beyond ownership of assets using legally binding smart contracts. The users would write an agreement and sign it using a smart contract which would be recorded on the blockchain using PoE (Proof of Existence), these contracts could then have the ability to be tokenized as long as both of the parties agree on the platform to allow for one of the parties to transfer their role in the contract or allow for a delegate (whoever holds the token) to take the role of the agreement. All decisions on the contract could potentially be done on the blockchain through smart contracts and tokens, except for anything involving a real-world court. The agreements can facilitate a transaction of tokenized assets from one user to another by means of escrow as well. Software surrounding these agreements will be tailored to each type of smart agreement possible.

Smart agreements can also be bound to a tokenized asset. This means that the issuer can bind anyone who holds that asset to the agreement, on their terms. So when a user receives a tokenized asset with a binding smart agreement attached to it, then that user will have to agree to its terms before being able to send the asset in a transaction. At the issuer's will, they can also set it so that if the user does not agree to the terms within a specified amount of time, then the assets will be sent to a specified wallet.

Decentralized Business Management

The Divistock platform will allow businesses to manage themselves as decentralized entities on the blockchain. When a business has more than 50% of their shares tokenized and distributed on the Divistock platform, then they will be able to effectively allow their company to be managed by those who are holding said tokenized shares. They will be given dozens of customizable options for how their entity will operate. They then will decide how holders of their tokenized shares will be given authority in the company, hold votes on company decisions, and any other aspects of a public company. All of that information will be publicized on the Divistock network. An entire business structure and decisions will have the capability to run on the Divistock platform.

Loans

Smart Contract Loans

Divistock's aim, besides being a tokenized asset platform, will be to become the biggest and all-in-one platform for blockchain business purposes. With that will come a multitude of features/services/uses Divistock will present to its users. One of these uses will be decentralized, smart contract loans.

Smart Contract loans will be the future in secured loans. There will be no identification, credit checks or anything of the sort required to gain a smart contract loan, all that will be needed is a Divistock wallet and Divistock coins or any other cryptocurrency on the Divistock platform. The user will be able to log into their wallet/account on the Divistock application and then navigate to a loans section. From there all they will need to do is select how long they wish for the loan to last and probably a few more properties, once done the platform will create a smart contract for their loan in which they will simply send however much they wish to be loaned to the smart contract address, in the form of any cryptocurrency on the platform. The smart contract will then send the exact valued amount back to the user that they sent in the form of the Divistock stable coin. If the collateral is sent as the Divistock coin/stable coin, then the contract will allow for the user to be lended any tokenized asset available. On the application where the user's loans are listed, it will show how much the loan is worth, the deadline to which the loan must be repaid + interest, and exactly how much must be paid back. The user will be able to repay the loan at any time before the deadline and if they do not repay before then, Divistock will seize the remaining balanced unpaid from their initial collateral based on the percentage of the loan + interest that the user did not pay back. When a user pays back part of the loan, they will be instantly given back the same percentage amount of the collateral. The smart contract loan collateral will not be accessible by Divistock at all until the deadline, and only the percentage of the loan unpaid will be accessible by Divistock at the deadline.

The advantages to this are that the user will always get a static amount for the loan in exchange for the cryptocurrencies they gave as collateral, in the form of the price stable Divistock stable coin. So the tokens/coins they pledge's value can go up or down in value, receive dividends, and other properties that an asset token can receive and maintain and the user does not have to sell their assets or Divistock coins for a price stable coin in order to get a static budget for whatever they need.

Divistock decentralized smart contract loans also open the possibility of short selling tokenized assets by allowing for users to take a smart contract loan out on any tokenized asset. These loans will work in the same way normal smart contract loans for the Divistock coin do as described above. The loaning portion of the platform will also have to have a loan fund for those who wish to take a loan out against their tokenized assets, which will be filled by the Divistock holding company as well as by "stakers" who can stake their Divistock coins to the loan fund in exchange for interest. Along with this, anyone who holds a tokenized asset can stake it to the loaning platform to be loaned in exchange for interest. Lendees will have to give collateral in the form of the Divistock coin of the same value as the tokenized assets. The exchange will also be utilized to supply tokenized assets to be lended, the lending smart contracts will call on the exchange for the asset requested to be lent, if the liquidity of this asset is deemed high enough, it will automatically buy and loan this asset at the lendee's expense.

Please note that the cryptocurrencies that take part in any loan will have their value timestamped at the time of the start of the loan with the Divistock stable coin if necessary. This will be the value that the smart contract loan uses.

Traditional Legal Loans

Along with smart contract loans, Divistock will offer traditional legal loans using legally binding smart contracts. These can be used as alternatives to smart contract loans, which require the user to input assets or the Divistock coin as collateral. These loans can be set up anyway and be any type of loan that pertains to the tokenized assets on the Divistock platform and the Divistock coin. The advantage to these loans is that they will be some of the best options out there for gaining a loan for any purpose. From shorting assets, to business funding, to personal growth, these loans will be of very low interest and be able to be paid back at any point. They can be used by startups on our startup platform and with our VC firm for businesses to gain early-stage funding in customized ways.

Secured Trading/Escrow Service

With all cryptocurrency transactions, there is an underlying problem. Whether you are using it for paying a freelancer or trading two currencies for each other, one party can cheat the other. This is a problem Divistock will look to solve. Even though other platforms provide cryptocurrency escrow, we want to provide secured trading and escrow to our users for tokenized assets. Secured trading and escrow will be two different services on the platform, which are each explained below:

Secured Trading

Secured trading will be for two parties that want to trade two different assets between each other, think shares in each other's companies that are not publicly listed. This service will not require any intervention on the Divistock team's part, the two parties will simply input their assets into a smart contract wallet that will be generated upon the trading request one party makes to the other. Once both parties have sent their assets to the address, the trading window will show in real time when both have done so. At that point the parties will be able to click a "Confirm" button, and once they both click confirm, the transaction is made. This will also be shown to each party in real time.

Asset Escrow

The escrow service will be used when only one party is sending an asset to the other, and the other party is required to do some sort of task. When one user creates an escrow request, the other user will join this request and a smart contract address will be created. Once this happens the users will state and agree on what the receiving party must provide to receive the asset. If in the instance the receiving party does not complete the service or the sending party does not want to send the asset(s), then the Divistock team will step in and sort out the matter. The two parties will present their evidence stating whether the receiving party did what was stated and agreed upon in the escrow, and then Divistock will arbitrate whether the receiving party will receive the asset(s) or if the sending parties will get to keep them.

Mutual Funds/Shared Funds

The Shared Funds platform, as part of the Divistock platform, shall be a platform that will allow for any user to create and participate in mutual funds for tokenized assets. Users that decide to create a shared fund will be able to make it either public or private, meaning that they can choose to list it on the Share Funds platform or make it invite-only. The creators of these funds will be able to decide it's properties; such as its name, description, level of control of its assets, the percentage its creator takes from the fund's profit, etc. An example of the level of control of assets could be a period of time in which a user of the fund cannot withdraw their assets. All of the fund's properties will be made visible to anyone who has access to deposit their funds into it. As part of the publically-shared-funds platform, users will be able to post reviews of the fund managers, but no shared funds shall be removed. The purpose of a shared fund will be for users to compile their funds together; managed by one, preferably experienced in investing, party; and share the profits based on the amount of funds that they contribute.

Funds refer to the Divistock coin that is used to buy the asset's in the fund and the assets to themselves.

Divistock Banking

The Divistock platform will offer a banking solution to its users. This will allow for users to store their funds in the form of the Divistock stable coin and allow easy access to it in the real world. They will be able to be issued debit cards, that will perform instant exchange of the stable coin to fiat through real-world transactions such as ATM deposits/withdrawals and purchases. This will make converting Divistock tokenized assets to fiat cash easy. The banking feature pairs with the stable coin to allow a hold of value for funds on the platform although just holding the stable coin in a wallet is a viable option that will achieve the same effect.

Asset Directory

In order to supply users and third parties with as much explanation possible for the applicable uses of tokenized assets, the Divistock platform will employ an asset directory. This directory will be a curated list of every asset tokenized on the platform describing what it is, it's descriptive value, the legal applications/description of it, the financial applications, and it's software applications as well. Users will also be able to select whether they want their name to be displayed in this directory associated with owning the assets they currently hold in their collective wallets. This directory will allow users to make the best decisions possible when buying and/or utilizing assets. It's content will be created by the community, specifically those who run a node and have staked the Divistock coin on the network with the purpose of securing it. If they meet those requirements, then they may edit and create content for this directory. If a user who has access to edit this directory creates satisfactory descriptions of assets, judged by the community, then they will be paid in Divistock coins for their work. This directory will be a part of the block explorer as well.

The Exchange

Finally, after the Divistock blockchain, the Divistock ICO, and the Divistock platform are all completed, we shall create our own exchange exclusively for the Divistock blockchain. This will be an exchange to buy and sell tokenized assets that any entity has created to be bought and sold with no listing fees whatsoever. We would only take an exchange fee from withdrawals and transactions on the exchange.

The Marketplace

For assets with small supplies and do not have an exchange listing or cannot be sold due to low volume, the Divistock marketplace will be available so that users may sell their assets through individual “e-commerce” styled postings. They can accept bids or structure the price however they choose. All of the asset's properties and it’s tokenizing documents will be clearly visible on the listing. Any asset can be listed here, regardless of its exchange status. This will also serve as a very useful tool for users seeking to get a value assigned to their tokenized asset(s) through valuation.

Custom STO Platforms

On the exchange, if you list a new a tokenized asset that you issued originally you will be able to create your own custom STO platform for your tokenized assets. These can be any tokenized asset and you will be able to do this for absolutely free (just like with all of Divistock). The STO platform will be apart of the exchange where basically it will be a market for your tokens and Divistock coins, but with only sell orders and a completely custom front-end for your STO. Users who decide to create an STO platform for their tokenized assets will be able to set a custom domain with their website or use the default subdomain that will come with their platform. From there they will be able to customize the font, color, features, and properties of their STO platform, they will even be able to do web development on their platform for further customization and will have the option of being hosted on their own servers or Divistock's. These STO platforms will also get a free listing on the Divistock exchange under the STO category.

The Startup Platform

The startup platform would greatly interact with the Custom STO platforms. It would simply be a list where startups could list their STO platforms they have created with the Divistock exchange on the Divistock platform/application (see “Custom STO Platforms” portion of the white paper). They could list their goals, concepts, location, team members, key documents like white papers, etc. The platform would simply link viewers to the STO platforms created by the startups and viewers could rank the STOs. Divistock would also help the startups gain investors by marketing for them as well as all the listed STOs as a group for a very low to free rate, we would simply market the startup platform along with the entire Divistock platform. For investors, the startup platform would serve as a key hub for finding the best STOs on our platform, ranked and sorted.

Divistock VC Firm.

With the startup platform, Divistock will provide a VC firm to startups that have tokenized their shares or other assets with Divistock. Startups that seek early-stage funding can apply for startup funding on the VC firm with a variety of options. They can seek loans, large scale investment for their tokenized assets, or a combination of the two. The startups can receive this from third-party lenders and investors or they may receive it directly from Divistock. In such a case where Divistock provides funding in exchange for tokenized assets that startup would become partners with Divistock. This funding option, the Divistock VC firm as a whole, would be one of the best options out there for very early stage startups, with it being decentralized it would be very easy to access. Those who wish partner with Divistock and those who agree to use the Divistock platform for their assets for extended periods of time will have higher chance of funding, especially those who distribute their assets to the Divistock main network among its users or those who decide to create their network and use their tokenized assets for utility usage.

The Sidechain Platform

Those who create sidechains with tokenized assets in order to give them utility use or "utility programming" will be able to list their sidechain on the sidechain platform. This portion of the platform will be similar to the other the listing platforms on Divistock, in that it will allow for the creators of these sidechains to list about their sidechain, asset associated with it, access to the chain or request thereof and more. Listed will also be the properties of the sidechain, which is technical information visible about the sidechain if it is set to public but unmodifiable or set by the sidechain network creator.

This will create easy access to the wide range of financial growth opportunities by allowing for the possibility of growth not only in value from the utility use of the tokenized assets involved with these sidechains, but also in that there is the possibility to "earn" more of this asset by helping securing the network as you would with any other blockchain network with consensus protocols such as Proof of Work, Masternodes, Proof of Stake, and many more all offered by side chain network creators (most likely the companies that issued the tokenized asset). This also provides unlimited incentive for new blockchain networks with cryptocurrencies to be made in a market where a few blockchain networks will dominate all uses. The reason Divistock sidechains will be exempt from this market domination is due to the fact that these will be based on a tokenized asset in which there will never not be a market for because there will always be new companies and business ventures.

The Divistock Coin (DIVI)

The Divistock coin will be a utility coin used to confirm transactions on the blockchain. It will be minable or stake-able (depending on the consensus protocol the Divistock blockchain will use) and will confirm all transactions on the blockchain including all the tokens, be the only currency that can be sent as dividends for tokenized assets, and be what is collected for transaction fees. Everything within the Divistock network will be based and run with this main currency.

Stable Coin

In order for certain features of Divistock to be applicable, there needs to be some form of price stability. The features that need this include the smart contract loans and the Divistock banking solution. The only way that this achievable is through a stable coin. Such a coin would need to be accessible to users as a substitute to the Divistock main currency and for effective stability will be exchangeable for multiple fiat and price stable assets at the same price as well as utilizing algorithmic stability. Any fiat assets that are traded for this coin will be placed within a decentralized holding account managed by the Divistock holding company, which will itself be managed by the blockchain network.

The coin will be derived from the main currency, meaning that they will share all of its properties except for the following, the price stable coin will not have the power to secure or in any way manage the Divistock blockchain network, meaning that it will not be useful for any of the Divistock features technologically. The other exception is, of course, it's price stability. Besides those two differences, the coins will share everything, including their supply. When one is traded for another technologically, through specified means in the network, then the base amount being traded will be frozen from use until the reverse happens.

Please note that when referring simply to the "Divistock coin" in this paper, the subject will be referring to the Divistock stable coin as well as they are the same cryptocurrency simply with differences in properties

The Application

Divistock's exchange, platform, and wallet will all be accessible from a single application on all devices. You will be able to trade on the exchange; hold, send and receive all your tokenized assets; tokenize assets, untokenize assets, run a node to secure the Divistock network, and access all of the features that the Divistock platform will provide, all through a single profile across all your devices that will be securely accessed using a username and password with other authentication such as 2FA. This will make all the features of Divistock be streamlined, interchangeable with each other, and be a click away. The style of the application will be a sleek, simple, modern, and well graphically designed user interface that will be very simple to navigate. All aspects of the application will be very easy to understand.

The Wallet

The wallet for the Divistock blockchain will be similar to smart contract enabled wallets for the Ethereum blockchain. The Divistock blockchain wallet will be compatible with all Divistock tokens on the blockchain including the Divistock coin and stable coin. These wallets will allow for asset token issuers to issue dividends in the form of the Divistock token to people who hold their token and for users to have a universal wallet for the platform. The wallets will also be able to receive Divistock coin fees for token issuers that put fees on their token's transaction. Any asset token will be able to be received by another type of wallet that is compatible with the Divistock main network, such as an exchange wallet for deposits on a third-party exchange. The wallet will also be used to secure the Divistock network by running a node and be given Divistock coins as a reward.

The Difference

- The key difference between Divistock and a platform such as BitShares is that Divistock will be focused on easy usability and binding of assets to tokens only. For example any asset that has not been issued or created by the user, if tokenized, will be added to a larger group or supply of the same asset where the user will have no control over the properties of that asset, making it easier for that these assets to be traded as they will be the same token as each other. As for assets that are tokenized by the issuer or creator, they will be given control over the properties, but not ownership, of the assets they tokenize.
- With Divistock will come (as described above) easy usability. Divistock will be a simplistic, modern and sleek application to navigate that will hold all the features of Divistock. Asset tokenization and untokenization will be very simple, quick, and easy.
- Asset untokenization will be very much a possibility and will be as easy to accomplish as the tokenization of the asset.
- The tokenization of assets will be done with a legally binding smart contract, that will give possession of all tokens associated with the tokenized asset(s) to the wallet of the tokenizing user and will transfer ownership of the assets to the Divistock holding company.
- Divistock will pander to the non-technical user, and provide the the “why” as to why they should tokenize their assets along with the “how” by providing them with numerous features for their assets.

  More shall be added to this white paper in the future and is subject to future updates.